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**Employee Insurance Program Employee Benefit Services  
Phase II – Subscriber Level**

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Services**

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## **Employee Insurance Program Employee Benefit Services Phase II – Subscriber Level**

The Employee Insurance Program (EIP) / Subscriber Services focuses on delivering quality customer service to our subscribers and our benefits administrators (BA). Employee Benefits Services (EBS) Phase I places the responsibility of updating subscriber insurance information on the BA. The subscriber has to go to the benefits office, make the request and hope the information was sent timely to EIP. Many BA's wear multiple hats and have difficulty initiating all requests for their employees in a timely manner. We often receive emergency requests from BA's requesting approval to fax information for a subscriber in need of a prescription or medical attention because they failed to send the information to the EIP.

When BA's do not send subscriber requests timely, their employees, our subscribers, call to see if their information is received or if their information was updated to our systems. Unfortunately, though subscribers assume that if they have not heard about a delay in processing, they trust that their information is updated manner when in fact it has not. Subscribers may experience delays in being able to see their physicians or obtaining prescriptions from pharmacies in a timely manner.

EBS Phase I allows benefits administrators access to input subscriber insurance change information to our systems. This Phase I shifts the responsibility away from EIP's internal processing unit and allows BA's to enroll their new hires and existing employee changes throughout the year, including the annual/open enrollment period. EBS Phase I does not have electronic signatures available and, as a result, BA's must print out a Summary of Change (SOC) document which reflects the new hire and change

information requested by their employee. Many BA's complain about the need to print out five to seven pages for each employee insurance request. The BA's are required to print all pages of the SOC which adds cost to our benefits offices and requires additional EIP staff time to scan documents.

Currently, this is a problem because subscriber insurance information is not updated as quickly and does not provide the most efficient way to deliver the best customer service available through technology. Our efforts in EBS Phase II will improve efficiency and provide timely updates of subscriber insurance information to our files. Subsequently, the carriers will receive timely updates and subscribers will receive their cards and insurance information in a more expeditious manner.

Our agency, the Budget and Control Board, and our office, EIP, share the same value in providing excellence in customer services for our subscribers and their families. Because of this, we are changing our work environment processes to evolve more closely around the world of technology. The implementation of EBS Phase II requires the most current technology available, using barcodes, up-to-date scanners with barcode readers and electronic signatures for each subscriber. Our senior management support efforts to utilize the technology available which will, in turn, improve our internal process efficiency and customer service quality.

Ultimately, EIP Subscriber Services call centers (customer services and benefits administrator call centers) are where most staff resources are focused in an ongoing effort to provide exceptional customer service. Additionally, the call center representatives are formally trained and are now able to assist callers on any insurance issues, in many cases, without assistance from other work units. By doing this, we are moving towards

measuring the performance of our customer service delivery and establishing an on-line enrollment system available to all of our 280,897 active subscribers.

This initiative includes the collaboration of the Information Technology staff, Quality Assurance team, and the Operations team in order for this project to be successful. A timeline has been established to complete Phase II in 2007. Other collaborative steps are imperative before implementation and results of Phase II are evaluated. Technology and subject matter experts are required to deliver the best functional product to our many subscribers in order to allow them to control the processing of their insurance information.

Many of our policies are complex and often require legal interpretation and final determinations. Our plan is for EBS Phase II to refine our overall processes which allows technology to impact how we do what we do. Ultimately, phase II is the channel to connect subscribers to their insurance benefits and guide them to make applicable changes to their insurance coverage. First, allowing access to their statement of benefits on the home page of the EBS system.

Subscribers will be able to log on using their assigned benefits identification numbers (BIN). The EIP implemented the BIN to protect subscriber personal information and each number is unique to them. Once subscribers are logged in to the EBS, they will see their own benefits statement and are able to update their insurance information or insurance coverage levels based on family status changes, i.e. marriage, divorce, etc. Subscribers will select one of the following change reasons:

Exhibit A:

Contact Information (Name & Address)	Beneficiary Information	Marriage or Common Law Marriage	New Born Adoption Custody	Divorce or Separation from Spouse	Open Enrolment (odd years)	Annual Enrollment (even years)
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Exhibit A provides data to senior management which gives details of the number of subscribers making changes to their insurance benefits and for which change reason. Currently, we are unable to capture this specific data with our internal processes.

To deploy the best product to our subscribers, we will release different levels of insurance access to them in Parts. Part I includes subscriber's initial introduction to EBS Phase II which includes the "statement of benefits" and changes to contact and beneficiary information.

Part I (Exhibit B):

General Change Components:	Subscriber Input Information	Subscriber (Confirmation)	Benefits Office (Notification)	EIP Systems Updates	EIP Imaged File is Updated
Contact Information	✓	✓	✓	✓	✓
Beneficiary Information	✓	✓	✓	✓	✓

In exhibit B, Part I analysis identifies each component that must provide a workflow process outlining how the data is captured in the subscriber files at the EIP. The first two components are the contact and beneficiary information of which any subscriber may submit updates or changes to their mailing address, phone numbers and email address. The system allows subscribers to input this information and provides a confirmation of their insurance benefits, in a printable version. Afterwards, the system transmits the data

to the benefits office which provides notification to the BA of insurance changes to subscriber files. At this time, the BA may print and forward notification to other applicable areas within the entity group, i.e. payroll, retirement, etc.

While the benefits office receives the notification of subscriber changes, the EIP systems are automatically updated and a copy of the notification is imaged as part of the subscriber files. Moreover, should the subscriber need further verification that their information was updated at EIP, the subscriber may sign-on to the EBS system to confirm changes on their statement of benefits or call EIP Subscriber Services call center for assistance.

As shown in exhibit C below, these changes are available for subscribers beginning October 2007 for open enrollment. Open enrollment occurs every October of odd numbered years and annual enrollment occurs every October of even numbered year. Annually, publications are sent to the benefits offices to share with their employees all applicable changes they can make during the open or annual enrollment period. The EBS Phase II allows subscribers to submit changes from September 15 through October 31. Because of this technology, we are able to provide additional time up-front to the subscribers to submit changes to their benefits office prior to the October 1 date.

Please note in exhibit C that, generally, all changes available during the open enrollment period. EIP is notified in early August of enrollment changes which have Budget & Control Board final approval.

Part II (Exhibit C):

Open/Annual Enrollment Changes Components:	Subscriber Input Information	Subscriber (Confirmation)	Benefits Office (Must Approve)	EIP Systems Updates	EIP Imaged File is Updated
Health Plan (add/delete/change)	✓	✓	✓	✓	✓
Dental (add/delete/change)	✓	✓	✓	✓	✓
Dental Plus (add/delete)	✓	✓	✓	✓	✓
Optional Life (inc/decrease/delete)	✓	✓	✓	✓	✓
Dependent Life – Spouse (inc/decrease/delete)	✓	✓	✓	✓	✓
Dependent Life – Child	✓	✓	✓	✓	✓
Supplemental Long-term Disability	✓	✓	✓	✓	✓
Beneficiary (add/delete/)	✓	✓	✓	✓	✓
Dependent (add/delete)	✓	✓	✓	✓	✓

As shown in exhibit C, each component must have a workflow process describing how the data is captured in the subscriber files at EIP. All components listed above are generally changes subscribers may submit during the open/annual enrollment periods. During open/annual enrollment periods, subscriber may also update their address and change beneficiaries. These two change components will update EIP systems automatically and notify the benefits office of their changes. EBS Phase II allows



subscribers to input changes to their insurance information and provides a confirmation letter of their information in a printable version. Afterwards, the system transmits the data to the benefits office which requires approval from the BA before any changes are updated to the EIP systems.

If additional documentation is not required, i.e. student certifications of dependent turning 19 during the enrollment period, EIP systems are automatically updated and subscriber files are updated. However, if subscriber changes require additional documentation, i.e. student certification, then the subscriber is informed on their confirmation to provide the benefits office with a copy of the required "student certification." This request is not updated until the benefits office receives this required document. Once the benefits office receives the required form, the BA may approve the subscriber request; print a cover sheet as an attachment and forward to EIP for processing. The benefits administrator sends EIP the cover sheet and any required documentation requested by the system. Once the required documentation is received at EIP, staff will verify the correctness of documentation prior to releasing the subscriber changes to the internal systems for update.

The BA may print their approval of subscriber insurance changes and forward to their payroll or financial department to ensure changes of employee deductions. Although the subscriber receives his confirmation and the benefits office approves and prints their copy, the subscriber may verify that the benefits office followed through with sending the required documentation to EIP by checking their statement of benefits on-line using the EBS, or they can call EIP Subscriber Services call center for assistance.



Lastly, Part III of EBS Phase II includes the family status change components which may occur anytime during the calendar year. Our policy regarding these changes adds complexity to the system programming required to allow these changes listed in exhibit D.

Part III (Exhibit D):

Family Status Changes Components	Subscriber Input Information	Subscriber (Confirmation)	Benefits Office (Must Approve)	Benefits Office (Must Send Documentation)	EIP Systems Updates	EIP Imaged File is Updated
Marriage or Common Law Marriage	✓	✓	✓	✓	✓	✓
New Born or Adoption Custody	✓	✓	✓	✓	✓	✓
Divorce or Separation from Spouse	✓	✓	✓	✓	✓	✓

As shown in exhibit D, all of these changes must be approved by the BA because additional documentation is necessary. The BA verifies that subscribers provide the correct documentation required to complete the request before submitting their approval to EIP. Once the benefits office receives the additional documentation from subscribers, the BA indicates on a cover sheet that the correct documentation is received and prints the cover sheet that has a barcode on the front. The BA approves the subscriber request from his computer terminal then sends EIP the cover sheet with the attached required documentation.

Once EIP receives the cover sheet and required documentation, EIP's imaging center scans the cover sheet (which includes the name, social security number of

subscriber, entity group number and BA identification numbers in the barcode) and the required documentation. Our internal system locates the electronic submission from the benefits office and merges the two files together and electronically sends to the EIP processing unit for further verification. If the documentation received is correct, then the processor approves the requested change and all internal systems are updated. If the documentation is incorrect, the cover sheet and documentation received is returned to the benefits office with a request for the correct attachments that substantiate the requested change.

EBS Phase II allows subscriber insurance changes to update internal systems much faster than previously, therefore, the carrier receive updates more timely as well. BA's have to respond to their employee requests only if additional documentation is required. The benefits office receives notification of requests that do not require their approval, but will also have a cover sheet that requests documentation before approving family status changes. The BA is able to control the workflow process of employee submissions and will look for employees to come to them to complete their insurance requests. Moreover, this process allows subscribers to have more control over their insurance benefits and, at the same time, allows EIP to channel internal staff resources towards post audit verification functions.

To implement the solution, we formed a marketing team which includes members from the Operations unit, Quality Assurance unit, and the Communications department. Our efforts are focused on deciding how to market this program to our 570 entity groups, deciding which entity groups will participate as part of the "pilot group", and when to market to all entities participating in our program. Our outline begins with:

I.	Marketing Strategy:
	<ul style="list-style-type: none"> <li>a. Possible slogans</li> <li>b. BA Communications (BA Advantage, Insight for BA's, Blast emails, etc.)</li> <li>c. Subscriber Communications (EIP Direct)</li> </ul>
II.	Flowchart the Process
III.	Customer Data
	<ul style="list-style-type: none"> <li>a. Needs of customer (BA and subscriber)</li> <li>b. Demand for services</li> <li>c. Number of customers</li> <li>d. How many entity groups do not have EBS access? <ul style="list-style-type: none"> <li>i. Of those, how many do not have internet access capability?</li> </ul> </li> <li>e. Number of hours required to train customers</li> <li>f. Location and time of training</li> </ul>
IV.	Initial Testing of EBS Phase II (Part I)
	<ul style="list-style-type: none"> <li>a. B&amp;CB – identify a small group of participating subscribers not part of EIP to test.</li> <li>b. Observe use and identify customer needs.</li> <li>c. Monitor customer satisfaction and analysis systems (Develop user survey to get feedback from users, BA and subscribers).</li> </ul>
V.	Evaluate Outcome Data
	<ul style="list-style-type: none"> <li>a. Did we meet to needs of our customers?</li> <li>b. Discuss feedback from customers. <ul style="list-style-type: none"> <li>i. Identify possible process improvements.</li> <li>ii. Did we accomplish our goal?</li> <li>iii. Celebrate successes.</li> <li>iv. Any opportunities for improvements in marketing strategies?</li> </ul> </li> </ul>
VI.	Pilot Group (Part I)
	<ul style="list-style-type: none"> <li>a. Select entity groups for production testing</li> <li>b. Observe use and identify customer needs.</li> <li>c. (Develop a timeline for meetings and deploy to small group of employees within group.</li> <li>d. Develop a timeline to deploy to all subscribers within pilot group.</li> <li>e. Monitor customer satisfaction and analysis systems (Develop user survey to get feedback from users, BA and subscribers).</li> </ul>
VII.	Procedures for deploying EBS Phase II to Remaining Entity Groups (Part I)
	<ul style="list-style-type: none"> <li>a. State Agencies</li> <li>b. School Districts</li> <li>c. Local Subdivisions</li> </ul>
VIII.	On-going Marketing and Education Efforts
	<ul style="list-style-type: none"> <li>a. EBS home page</li> </ul>

b. EIP Publications
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| IX. | Deploy EBS Phase II (Part II)  |
| X.  | Deploy EBS Phase II (Part III)   |
| XI. | On-going Marketing and Education Efforts to new and existing entity groups |

The EBS Phase II marketing team meets on February 5<sup>th</sup> to briefly discuss the macro vision in implementing this new enrollment service in one of three Parts. The initial testing of EBS Phase II occurs April 2007. We will test with a small Budget & Control Board Office and solicit feedback for what works well and identify any areas for improvement. The total timeframe and cost of this project includes sixteen months of research from our IT department and have exhausted roughly \$1.5 million prior to Phase II project implementation which takes place April 2007.

Approximately twenty-five of our 570 entity groups do not have access to the EBS. This obstacle allows the marketing team to implement strategies to overcome potential resistance. Five of the twenty-five groups do not have internet access capability; therefore, they are not able to participate using this new service. Fortunately, the groups that do not have internet access capability don't have large numbers of employees and can still send in paper documents to EIP for processing. The other twenty entities that do not have access to the EBS simply are not comfortable with using this kind of technology. We are preparing our marketing team to meet with these groups and provide onsite training sessions with them to demonstrate the advantages to the benefits office and their employees.

The initial deployment to EBS Phase II requires partnerships with internal and external resources to ensure the success of this project implementation. Members of the Operations unit includes the unit manager, three supervisors, three staff member, three QA staff members and BA's representing their entity groups are the resources to training

and educating subscribers, employees of each entity group, to help them understand how they can access and control their insurance benefits at any time.

The marketing team will develop a quick survey for users to complete after their transaction, if an email address is provided. This survey provides valuable feedback to EIP regarding the ease and use of the systems. Results will post in EIP Direct, a publication written specifically to subscribers, informing them of insurance plan changes, and health and fitness tips. Others will view the survey results and hopefully encourage more users in Part I to update their addresses or change their beneficiary, if necessary. Either way, these changes are simple, user friendly, and automatically updates at EIP and will notify their benefits office simultaneously.

We have integrated EBS Phase II into our standard operating procedures. As actions are performed by subscribers, we can quickly identify who is responsible:

	BA Receives Notification	BA Must Approve	BA Must Send Documentation	EIP Systems Automaticall y Updates	EIP Processo r Must Review
Address / Beneficiary Changes	✓			✓	
Open / Annual Enrollment		✓		✓	
Marriage or Common Law Marriage		✓	✓		✓
New Baby or Adoption Custody		✓	✓		✓
Divorce or Separation from Spouse		✓	✓		✓

Generally, 98% of open / annual enrollments do not require any supporting documentation. The other 2% require student certifications for any dependent turning 19 from October 1 through December 31<sup>st</sup> because all changes completed during open / annual enrollment are not effective until January 1<sup>st</sup> of the following year. In this case, the BA must send EIP documentation and the request requires EIP processor verification.

The EIP processing unit functions are evolving towards post audit verification functions. Currently, these positions require considerable insurance product knowledge and internal systems comprehension. When EBS Phase II is deployed, internal staff will be ready to assist subscribers in updating their insurance information accurately and timely. Moreover, concentrating more on customer service delivery, through more call center representatives available to answer calls, and continuous training for existing and new staff members will improve response times and overall customer service quality.

We will perform evaluations during each of the three parts for EBS Phase II to determine how beneficial this enrollment service is to the benefits offices. We actively seek ways to improve our services by visiting each entity group once a year and demonstrating EBS on each visit, one-on-one with the BA. Additionally, we are conducting four Regional training sessions around the state to promote, train, and educate BA's to enable them to assist their employees in an effort to better manage their insurance benefits programs. We will evaluate this effort to educate each entity group's BA and develop a method to retrieve data by monitoring employee use in each participating entity. BA's may find this data helpful since the more employees use the EBS to update or change their insurance information, the BA will have more time to perform other job requirements.

We have established several different methods to monitor and measure results of EBS Phase II. First, we have systematically designed the authentication and verification portion which is the security instrument used to access EBS Phase II. We also want to know how many subscribers are logging on EBS Phase II for the first time by who establishes pin numbers. Those subscribers that initiate access to their insurance benefits will be able to view their "statement of benefits" on the EBS home page. Generally, September of every year, EIP generates benefits statements to all subscribers to notify them of their current benefits. Historically, this is done to inform subscribers of their current insurance benefits and for them to determine if any changes are necessary due to family status changes. Based on the usage of EBS Phase II, we are hopeful that EIP will no longer need to print and mail benefits statements to all subscribers participating with all entity groups. This will greatly decrease our printing and mailing expense during the open/annual enrollment season.

Secondly, we have established reports which outline subscriber usage, the type of changes by entity group. This allows us to monitor the frequency and number of subscribers using EBS Phase II and view the type of changes requested, i.e. address or beneficiary changes, changes during open/annual enrollment, etc. This data is not available through our current internal data collection methods.

Lastly, the EIP requires that all benefits offices respond to suspense files within 90 days of subscriber requests. Generally, suspense files are requests submitted to the EIP from the benefits office that require additional documentation or a correction to the documentation submitted. In EBS Phase II, we will systematically determine those suspense files without requiring a response from the benefits office automatically by-



passing system updates and placing a copy of the request in the subscriber's file. Based on this information, subscriber files will remain unchanged and they must wait until the next family status change or the next open enrollment.

The future benefits of using the enrollment system will enhance internal processes within EIP, benefits offices and their employees. This web based program enhances the role of the BA and allows subscribers to access and control their insurance benefits. The collaboration efforts between EIP's IT and Subscriber Services staff members are essential to the success of the EBS Phase II subscriber level implementation. In essence, our ongoing efforts to communicate, share ideas and information may empower all of us to set the example of others understanding the TEAM acronym; together, everyone achieves more.

## Glossary

**Annual Enrollment:**

A period during which eligible subscribers may change health plans only. This period occurs in October of odd-numbered years.

**Employee:**

Is employed by the state, a school district or a participating local subdivision; is in a permanent full-time position as defined by the plan; receives compensation from a department, agency, board, commission or institution of the state, a school district or a participating local subdivision.

**Open Enrollment:**

A period during which eligible subscribers may enroll in or drop their own coverage and add or drop eligible dependents to/from a health plan without regard to any family status change. This period occurs in October of even-numbered years.

**Family Status Change:**

A qualifying event that allow eligible employees to enroll themselves and/or their eligible dependents in an insurance plan. Examples include: marriage, birth, adoption or placement for adoption.

**Subscriber:**

An active employee of a state agency, public school district, participating county or other eligible employer and their dependents who is enrolled in a benefits plan.